UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MINNESOTA

MAINSTREAM FASHIONS FRANCHISING, INC., a Minnesota) CASE NO. 19-CV-02953 SRN/HB
corporation,)
Plaintiff,)))
vs.)
ALL THESE THINGS, LLC, a North Carolina limited liability company; GRACE AND LOVE, LLC, a North Carolina limited liability company; CCP, LLC, a North Carolina limited liability company; CHARLOTTE COOPER PARRIS, a North Carolina resident; ANITRA MITCHELL, a North Carolina resident; and BRADLEY MITCHELL, a North Carolina resident,))))) PLAINTIFF'S MOTION FOR) PRELIMINARY INJUNCTION))))))))))

PLEASE TAKE NOTICE that Plaintiff Mainstream Fashions Franchising, Inc. ("Mainstream") will bring the following Motion on for hearing at the earliest time and date it can be heard.

MOTION

Pursuant to Rule 65(a) of the Federal Rules of Civil Procedure, Mainstream respectfully moves the Court for a preliminary injunction to (1) prohibit Defendants, and those acting in active concert or participation with them, from operating their competing businesses in violation of Article 18.2 of the applicable Franchise Agreements for a period of two years from the date of the Court's order; (2) prohibit Defendants and those acting

in active concert and participation with them, from diverting or attempting to divert customers to their competing businesses in violation of Article 18.2 of the applicable Franchise Agreements for a period of two years from the date of the Court's order; (3) enforce the post-termination obligations in and arising out of Articles 6 and 17 of the applicable Franchise Agreements, including but not limited to the obligations to (a) deliver to Mainstream all customer lists and related customer and account information obtained in the operation of the two Mainstream Boutique® franchised businesses ("Franchised Businesses") formerly operated by Defendants All These Things, LLC, Charlotte Parris, Anitra Mitchell, and Bradley Mitchell (collectively the "All These Things Defendants"); (b) assign the telephone numbers, email addresses, and directory listings for the Franchised Businesses to Mainstream; (c) assign all social media accounts for the Franchised Businesses to Mainstream; and (d) deliver a list of usable supplies, inventory, fixtures, and equipment from the Franchised Businesses to Mainstream.

The All These Things Defendants' previously operated two Mainstream Boutique® Franchised Businesses in Winston-Salem and Mooresville, North Carolina. The Franchise Agreements for those Franchised Businesses were terminated by Mainstream, effective November 5, 2019, after the All These Things Defendants' failed to install a new point-of-sale system ("POS System"), as required by the Agreements, and abandoned their Franchised Businesses.

Following the abandonment and termination of the Franchise Agreements, the All These Things Defendants formed Defendants Grace and Love, LLC and CCP, LLC to

"Love + Well Boutique" and "Bliss by the Lake" – at the exact same locations as their former Franchised Businesses. Defendants have collectively conspired to circumvent and avoid the non-compete and other post-termination provisions of the now-terminated Franchise Agreements. Defendants are using Mainstream's customer lists and social media contacts they obtained as Mainstream Boutique® franchisees to divert customers away from Mainstream and its remaining franchisees.

In the absence of immediate injunctive relief, Defendants will continue to violate the post-termination provisions of their Franchise Agreements. Unless an immediate injunction is granted, Mainstream will be irreparably harmed, because (1) it will suffer an incalculable and continuing loss of customers and goodwill; (2) it will lose control over its confidential information; (3) it will face unfair competition from competitors trained in Mainstream's methods and procedures that are selling merchandise bearing Mainstream's Marks at reduced prices; (4) it will be nearly impossible to re-franchise the areas where Defendants' competing businesses are operating; (5) its relationships with its remaining franchisees will be jeopardized; and (6) other franchisees will believe they can defect from the Mainstream Boutique® franchise system and operate competitive businesses in violation of their franchise agreements with Mainstream.

Mainstream Fashions also moves for an award of attorneys' fees, costs, and expenses that it incurred in connection with this Motion.

This Motion is based upon the accompanying Memorandum of Law in Support of Plaintiff's Motion for Preliminary Injunction, the Declaration of Corey DeNicola, the Declaration of Craig Miller, and all other pleadings, files, and proceedings herein.

DATED: November 22, 2019

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.

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